COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WESTERN KENTUCKY GAS   )
COMPANY, A DIVISION OF ATMOS ENERGY   )
CORPORATION, OWENSBORO, KENTUCKY   )
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)   CASE NO.
AND NECESSITY AUTHORIZING IT TO BID ON)   97-336
FRANCHISE ESTABLISHED AND TO BE OFFERED)
FOR SALE BY THE CITY OF HOPKINSVILLE,   )
CHRISTIAN COUNTY, KENTUCKY   )

ORDER

On July 25, 1997, Western Kentucky Gas Company, a Division of Atmos Energy

Corporation ("Western"), filed with the Commission its application seeking a Certificate of

Convenience and Necessity to qualify it to bid on a gas franchise in the city of Hopkinsville,

Kentucky. Under the provisions of KRS 278.020(3), no utility may apply for a franchise

from any governmental agency until it has obtained a Certificate of Convenience and

Necessity from this Commission based on our finding that there is a need and demand for

the service sought to be rendered.

The Commission determines that there is evidence of a need and demand for gas

service in the above-mentioned city. Since the Commission's authority in such matters is

limited by statute to finding only whether there is a need and demand for the service sought

to be rendered, no finding or determination is made as to the qualifications of the bidder,

the validity of any of the provisions of the franchises offered by said city, or the manner in

which any franchise fee is to be treated for rate purposes.

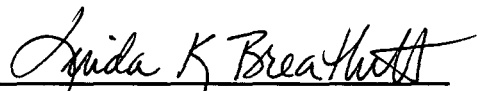IT IS THEREFORE ORDERED that:

1.   Western is granted a Certificate of Convenience and Necessity which authorizes it to bid on a gas franchise in the above-mentioned city.

2.   Western, if it becomes the successful bidder, shall file with this Commission two copies of the franchise agreement.

3.   This Order shall not be construed as granting a Certificate of Convenience and Necessity to construct utility facilities in said city.

Done at Frankfort, Kentucky, this 6th day of August, 1997.
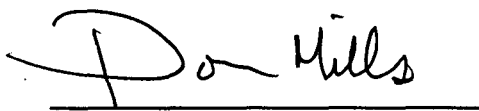
PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director